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***APPENDIX 1***

***SUBGROUP REPORTS***

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*Advancing  
Subgroup Report*

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## 1.0 Introduction

The Advancing Subgroup (AS) was charged with examining the strategies and approaches that the District could utilize in encouraging, developing, strengthening, promoting, advancing and retaining small, local and disadvantaged businesses (LSDBEs) in the District of Columbia. The Subgroup also identified strategies to advance LSDBE's views, concerns, and interests.

At the outset of the project, the Advancing Subgroup assumed that the District government's LSDBE program, and specifically the Office of Local Business Development (OLBD) faced major program communication challenges. The project research validated that these communication challenges have resulted in a program that is largely misunderstood by key stakeholders. In most cases, these are the same stakeholders – agency directors and private sector officials that LSDBEs rely on to not only promote the program, but, more importantly, to comply with the program utilization goals. This lack of effective program communications has contributed significantly to a current negative perception of the program and the agency charged with carrying out the LSDBE program goals. Our research clearly demonstrates that the District's LSDBE program suffers from a host of factors that inhibit the program from reaching its desired goals and outcomes. The AS's initial hypothesis was confirmed as we solicited input from various program stakeholder groups.

The AS Report seeks to identify the communication challenges facing the City's LSDBE program, examine effective ways to improve program communication and to effectively meet the expectations of the LSDBE community. The overall goal is for the program to serve as a strong advocate on behalf of LSDBEs.

The AS's internal advocacy recommendations are based on combining the best in-class advocacy program models, recommendations received from OLBD and those received from other key internal stakeholder groups, including agency directors, senior procurement officials and the Local Business Opportunity Commission (LBOC).

## 2.0 Statutory Framework and Program Expectations

DC Law 12-268 provides OLBD with broad statutory authority to advocate for the District's LSDBE program as well as the LSDBE community in general. Specifically, the office is empowered to:

- ◆ Educate the public, including District residents and businesses about the LSDBE Act.
- ◆ Stimulate and foster greater opportunities for businesses certified as LSDBEs to participate in the District's procurement of goods and services than would otherwise be possible.
- ◆ Educate, disseminate, and market contract opportunities information to those businesses already holding certification as LSDBEs.

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The statute also provides OLBD with broad latitude to advance issues of importance to LSDBEs. These functions include the authority to a) receive complaints of violation of the LSDBE Act, b) enforce procurement regulations for certified businesses, c) review bids in the small business enterprise set-aside arrangement, and where appropriate, authorize agencies to refuse to award a contract under certain conditions, d) review contracting problems and make recommendations that increase small, local, and disadvantaged contractor participation with the District government, and e) review agency procurement plans and determine which contracts or parts of them may be reserved to assist agencies in meeting their program goals. Recommendations may include such things as improved schedules that ensure prompt payment, innovative contract advertising procedures, and the encouragement of joint ventures and the provision of advice to the Mayor on methods to be utilized to ensure program participation.

The role of procurement plan review of each agency and determining which contracts should be reserved for the small business set-aside program provides a significant opportunity for OLBD to advocate on behalf of certified LSDBEs. Likewise, OLBD's responsibility for reviewing contracting problems and recommending actions that increase LSDBE contractor participation provides another key opportunity to advocate on behalf of LSDBEs.

### **3.0 Issues: Identification, Analysis, and Validation**

The Task Force examined the internal advocacy functions and standards of several local, state, and federal government entities with responsibility for administering similar "protected class" procurement programs. The objective of the examination was to 1) determine whether the OLBD's internal advocacy responsibilities and standards were comparable to other such programs and 2) to determine whether OLBD's organizational mandate for certifying LSDBE applicants and program advocacy was unique, and if so, whether or not this dual mandate impedes the agency's ability to effectively perform both.

#### **3.1 Current OLBD Advocacy Efforts**

OLBD's internal program advocacy within the District government is carried out primarily through working relationships with other agencies, particularly that of the Office of Contracting and Procurement (OCP). In theory, the agency works with OCP to locate, match, and promote certified LSDBEs with contracting solicitations and opportunities. This relationship is especially important since OCP serves as the procurement agent for approximately 56 District agencies, purchasing over \$1.5 billion annually in goods and services. Other OLBD internal program advocacy channels or opportunities include the Mayor's monthly economic development cluster meetings, where the OLBD Director has the opportunity to brief, educate, or present issues to the Mayor and the Deputy Mayor. OLBD also conducts monthly contracting roundtables where LSDBEs are brought face to face with agency contracting officers to discuss

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upcoming procurements, agency concerns, and issues that various LSDBEs present concerning a particular agency.

During the Task Forces' interview with the OLBD Director, it was determined that although the agency's statute clearly provides the authority to review agency procurement plans and to determine which contracts or parts of them may be set-aside, the agency noted that often times the OLBD was "not part of that process." Therefore, one of OLBD's most effective internal advocacy tools – the authority to influence contracts for the set-aside market – is not being utilized effectively.

### **Leveraging Program Advocacy Impact**

During both of the Community Business Forums held by the Task Force, several LSDBE representatives clearly stated that the agency had interceded on their behalf with other District government officials. Most often, they noted the agency's help in facilitating past due invoice payment requests, introducing them to private sector businesses when the LSDBEs had been unsuccessful in making a business contact, and facilitating discussions between LSDBEs and agency officials regarding certain upcoming procurement opportunities. It is difficult, however, for the Task Force to measure the extent and effectiveness of this type of internal advocacy since no related measurement data is maintained by the agency. The agency does not track its day-to-day activities in this respect. Consequently, it does not provide an effective means to measure the level of success of its advocacy work.

The Task Force gathered its qualitative data on the subject of advocacy through interviews with three internal focus groups (agency directors, procurement officials, and the Local Business Opportunity Commission (LBOC)). The groups provided their internal perceptions, experiences, and satisfaction with the LSDBE program. These three internal stakeholder groups could play a valuable role in advancing the LSDBE program throughout the District government had they significant knowledge of the LSDBE program. The Task Force believes that the evident lack of program awareness and knowledge among these groups serves as an indicator of the limited effectiveness of program advocacy. It is evident from this research that OLBD has not adequately educated government stakeholders to assist and support the agency in promoting the LSDBE program or its certified LSDBE businesses.

A representative summary of some of the qualitative findings related to advocacy are listed below:

- ◆ Of the five different stakeholder groups, the LBOC seems to have the clearest perception of the mission and purpose of the LSDBE program.
- ◆ Although most interviewees have a general understanding of the intent of the LSDBE program, overall there is a lack of understanding concerning what the program is specifically trying to accomplish.

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- ◆ Many interviewees believe that OLBD and internal LSDBE program partners have not done enough or have not been successful in their efforts to communicate to the community what exactly it hopes to achieve with the LSDBE program to date.
  - ◆ Developers, agency directors, and agency procurement officers say that their organizations are receiving little if any direct benefit from the LSDBE program.
  - ◆ As a result of not seeing benefits from the LSDBE program, many agency officials believe that there is a general perception that the program is not working.
  - ◆ Interviewees believe that because there has not been sufficient effort to define and communicate the mission of the LSDBE program, there is a degree of uncertainty regarding the level of commitment the City has for the program.
  - ◆ Some directors say that too often the program appears to be little more than a set of numbers that must be reached.
  - ◆ Agency directors think that they have not received adequate and appropriate training for a full understanding of the program.
  - ◆ Some officials say that it is one thing to know the regulations of the LSDBE program, but another to know the spirit of the program in order to act as advocates within the agency.

These officials must become program missionaries within the government. They will only be able to do so when provided appropriate training, invited to be a part of the goal planning and implementation, and recognized for their contribution to the success of the District's LSDBE program. On-going communications must be improved between OLBD, OCP, and other agency procurement officers to ensure consistent internal and external messaging and program implementation. Additional steps are needed to communicate the purpose, goals and value of the LSDBE program to senior agency officials and policy-makers.

### **3.2 An Independent Office of Advocacy**

Across the District, stakeholders acknowledge the need for greater advocacy. One of the options for consideration is the establishment of an independent Office of Advocacy.

Prior to the completion of the Task Force Report, Bill 14-458 "LSDBE Improvement Act of 2002" was introduced by Councilmember Harold Brazil (At-Large), and Bill 14-459 the "Equal Opportunity for Local, Small or Disadvantaged Business Enterprise Amendment Act of 2002" was introduced by Councilmember Adrian Fenty (D-Ward 4). Both bills seek, among other things, to expand the authority and role of the LBOC. By doing so, the LBOC would have an increased opportunity to advocate directly on behalf of the LSDBE program and certified LSDBEs. New or expanded advocacy opportunities for the LBOC would be provided in Bill 14-458 by:

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- ◆ Requiring that any adjustment to the LSDBE goals of an agency be approved by the LBOC.
  - ◆ Renewing the authority of the LBOC to review contractor problems and make recommendations to increase agency contracting with LSDBEs.
  - ◆ Restoring authority to the LBOC to review contracting problems and to make further recommendations to increase small, local, and disadvantaged contractor participation with the District government.

Bill 14-459 addresses the issue of advocacy specifically by:

- ◆ Establishing the DC Local, Small and Disadvantaged Business Enterprise Office of Advocacy.
- ◆ Granting authority to OLBD and LBOC to monitor agency compliance.
- ◆ Authorizing OLBD and LBOC to affirmatively approve agency expendable budgets.

Under Bill 14-459, the OLBD Office of Advocacy would serve as an independent source of advice and policy recommendations to OLBD, LBOC, the Mayor and the Council. The Advocate would be expected to:

- ◆ Meet on a quarterly basis with all certified LSDBEs to hear concerns, assist them with finding resolutions to concerns, and to submit a report of these findings to the Mayor and Council.
- ◆ Make recommendations concerning changes in policies that would improve the competitive position of LSDBEs, including recommendations relating to incentives which could be provided to larger corporations to maximize their use of District LSDBEs.
- ◆ Promote and assist in the development of a LSDBE census and other surveys of LSDBEs.
- ◆ Monitor and promote the plans, programs, and operations of District agencies, which may contribute to the establishment and growth of LSDBEs.
- ◆ Advise and consult with the OLBD in the design of a comprehensive plan for a joint public-private sector effort to facilitate growth and development of LSDBEs.
- ◆ Submit to the Mayor, the Council, the OLBD and the LBOC a report describing detailed activities of the Advocate and OLBD; and findings, conclusions and recommendations for legislative and administrative actions considered appropriate to promote LSDBEs.

During a public hearing held on June 20, 2002 to receive comments on Bills 14-458 and 14-459, the District's Minority Business Coalition testified in support of the provision to create an independent Office of Advocacy. Other witnesses, including the DC Chamber of Commerce, representatives from the Greater Washington Board of Trade Community Partnerships Program, and the Task Force did not specifically oppose or support the provision to create an in-



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dependent Office of Advocacy, but strongly emphasized the importance of the need for enhanced program advocacy within the government and throughout the business community.

During the focus group interviews with members of LBOC, interviewees had mixed reactions to the creation of an independent Office of Advocacy. Some members viewed it as a good idea, while others felt this function should reside with the OLBD. Despite mixed views within LBOC, the perception among all internal stakeholder groups, including agency directors, procurement officials, and the LBOC was that the current level of advocacy was not meeting their expectations.

In comparing the scope of OLBD's organizational mission to that of five local, state and federal agencies, the Task Force found that most agencies did not have the scope of statutory authority currently mandated to OLBD. With that in mind, the Task Force considered two options: 1) increase the funding to and staff support level for OLBD to significantly strengthen program advocacy or 2) streamline the current statutory functions of the agency to "free-up" time and resources to more effectively advocate for the program and LSDBEs.

### **3.3 Internal Communication**

While DC Law 12-268 provides OLBD with broad statutory authority to advocate for the District's LSDBE program, as well as the local, small and disadvantaged business community in general, there are no specific references, requirements or other mandates which compel this Office to communicate its mission to District agencies. Likewise, OCP has the broad authority to enforce the District's Procurement Practices Act, and as the City's Chief Purchasing Agent, has a responsibility and opportunity to promote the LSDBE program.

Given the authorizing statutes for OCP and OLBD, it appears that the primary context for internal communications with District agencies is compliance-based. OLBD serves as the conduit through which the agencies statistically communicate their compliance with LSDBE goals. OCP works more directly with agencies to establish utilization goals and to enforce compliance.

It is important to note that while no specific mandate exists which compels communication with District agencies, OLBD and OCP recognize their broader responsibility and have taken a number of steps to ensure awareness of the LSDBE program goals among select District agency staff. Such efforts, however, do not appear to have been consistent or widely successful, and little accountability is evident.

There are a number of activities that have been undertaken by the OLBD and OCP to communicate both the existence and reporting requirements of the LSDBE program to agencies.

Current OLBD internal communications efforts include:

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- ◆ Distribution of the *Agency Compliance* brochure, which encourages agency compliance with Mayoral LSDBE commitments, provision of suggestions for tracking and achieving LSDBE goals, noting and providing quarterly reporting deadlines, and indicating where LSDBE directories and additional assistance may be obtained.
  - ◆ Regular correspondence to document agency reporting compliance (Annual Budget Allocation Letter, Expendable Procurement Projection Report, Operating Expenses Checklist, and Quarterly Reports).
  - ◆ Periodic meetings with agency directors, or designees and agency procurement officers.
  - ◆ Periodic presentations at Cluster and Cabinet-level meetings.

Current OCP internal communication and program enforcement efforts include:

- ◆ Distribution of the OLBD Agency Compliance brochure.
- ◆ Receipt of reports that are submitted annually by agencies that forecast yearly procurement activity and identify LSDBE utilization.
- ◆ Maintenance of an LSDBE vendor database by vendor name and category accessible through the OCP and OLBD web-sites.
- ◆ Staffing of an Agency program for Chief Contracting Officers (ASCOs), Assistant Directors for Procurements for Public Safety and Human Services, and Business Development and Contract Compliance Officers who regularly work with agencies on procurement matters.
- ◆ Routine discussions of LSDBE compliance issues at senior staff and ASCO meetings within the OCP.
- ◆ Written certification that the LSDBE vendor database has been reviewed prior to any procurement being initiated, and determination whether or not a solicitation is eligible for the “set aside” market.
- ◆ Regular advice to agency directors about LSDBE requirements.
- ◆ Implementation of a new DC Supply Schedule that is for LSDBE vendors only. This allows the LSDBE vendor base to be the first source for all procurements within the District within OCP’s control.
- ◆ Monitoring of all sub-contracting plans for LSDBE compliance. Where compliance fails, the issue will be addressed as a contract compliance issue.
- ◆ Development of additional educational/informational materials for agency staff to expand awareness of the LSDBE program.
- ◆ Program coordination and communication between the OLBD and OCP operations.

The Task Force engaged in lengthy discussion regarding the important roles and responsibilities of OLBD and OCP in implementing, promoting, and enforcing the District’s LSDBE pro-

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gram. Research supports the notion that there exists a real breakdown in effective communication and program coordination between the OLBD and OCP. The Subgroup concluded that the real or perceived lack of communication and coordination between these agencies adversely impacts the advancement of LSDBE goals. Information obtained through the focus group interviews encourages organizational modifications to ease internal administrative and restrictive procurement processes as one remedy to address this issue.

Another significant factor contributing to the lack of program coordination and communication is that independent and quasi-independent agencies are not mandated by law to comply with the District's LSDBE program. Approximately 17 District agencies are exempt from the Procurement Practices Act and the LSDBE program. Combined, these 17 agencies represent over \$1 billion annually in local spending authority. In essence, neither OLBD nor OCP has any formal knowledge of independent agency projection plans or actual contract solicitations prior to contract award. While OLBD has been successful in encouraging some independent agencies like the Water and Sewer Authority and the Convention Center Authority to report LSDBE expenditures, these agencies do so not because of legal mandates, but to demonstrate a level of support for the City's LSDBE program.

Some comments from agency directors concerning the level of internal coordination are listed below:

- ◆ They do not feel that centralized procurement is the answer to the problem. In fact, they see centralized procurement as only bogging down the entire system, making it even more cumbersome.
- ◆ They express frustration that problems with the procurement system have been known for sometime, yet no real process seems to have been made to rectify the situation.
- ◆ They believe that a program like the LSDBE program is good public policy. However, they are unclear concerning the specific mission and objective of the program.
- ◆ They think that a more realistic system needs to be developed to specify how the goals are to be met. Some officials believe that the program should focus on measuring results via indicators other than dollars awarded to LSDBE contractors.
- ◆ They describe themselves as being motivated to support the program and use LSDBEs, as opposed to being obligated to do so.

Stakeholders also reported a lack of coordination between OLBD and OCP in ensuring agency understanding and program compliance. In fact, in review sessions with both agencies, there was acknowledgement that such coordination is lacking. Specifically, the Task Force observed disconnects in the following areas:

- ◆ OLBD is not part of the Service Level Agreement Plan process and does not consistently receive agency procurement projection plans.

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- ◆ Prior to setting or approving procurement objectives, OCP does not involve OLBD in the process.
  - ◆ OCP does not share contracts that they control with OLBD.
  - ◆ While OLBD has routine interactions with agency procurements officers, there are no formal or regular meetings among senior officials at OCP.
  - ◆ OCP is staffed with only one senior-level LSDBE program liaison, who cannot effectively provide the level of program oversight, advocacy, and enforcement within OCP that is outlined in his position description.

### **3.4 External Advocacy**

(External advocacy is as important as internal advocacy.)

The Task Force reviewed qualitative data on external advocacy through interviews with three external groups: 1) prime contractors, 2) LSDBEs and small business advocacy organizations, including the Greater Washington Board of Trade; the DC Chamber of Commerce, the Minority Business Coalition, Marshall Heights Community Development Corporation, and 3) the Howard University Small Business Development Center. Based on the following statements from prime contractors, LSDBEs, and small business advocates, the Task Force believes that the District is failing to stimulate and foster greater opportunities for LSDBEs in the private sector. Currently:

- ◆ Prime contractors and quasi-independent agencies do not receive any formal orientation about the benefits of the LSDBE program.
- ◆ There is no contract administration to monitor prime contractors' adherence to contract terms and conditions related to LSDBE goals.
- ◆ LSDBEs do not receive notification of sub-contracting and joint venture opportunities on a regular basis from OLBD or from OCP, other than OCP's web-site, which is not linked to OLBD, and newspaper announcements.
- ◆ Many members of the public perceive the program as merely "social" in nature without a clearly defined economic benefit impact. OLBD does not publish timely data on the increases in local revenue, tax payments or LSDBE employment of District residents. Although the law requires that such a report be made by April 2002, no report was made. With proper positioning in the public, such economic reporting would demonstrate the program's economic value, and over time, shift public perception of the program from a "social" program to an economic one.
- ◆ The number of "highly qualified" LSDBEs is directly related to the total pool of certified LSDBEs. Therefore, the lack of a highly energized LSDBE recruitment and advocacy programs only perpetuates the "myth" that only poorly qualified LSDBEs are participating in

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the program. Several stakeholder groups emphasized the need to promote LSDBE success stories and showcase best-in-class businesses.

Private contractors and developers reported:

- ◆ A sense that the City has not been successful in communicating to developers what the program is meant to accomplish.
- ◆ It is the “non-capital intensive” types of LSDBEs that are the most successful, i.e., firms that tend to provide services (e.g., messenger services, cleaning, and printing).
- ◆ There is a perception that there are not currently enough “qualified” LSDBE contractors to meet their needs. Specifically, developers say that not only is the pool of LSDBEs too small, but that there are not LSDBEs (or not enough) in the specific trades to meet their needs.
- ◆ Some developers have hired consultants to help them understand and comply with the LSDBE program.
- ◆ Incurring additional administrative costs to try to involve LSDBEs in a project, including locating a LSDBE, and checking their qualifications and capabilities is financially burdensome.
- ◆ They would like OLBD to provide more information about the LSDBEs and their capabilities.
- ◆ A desire for a training program to help developers and prime contractors understand the LSDBE program and how to make it work more efficiently.
- ◆ The City has not been successful in communicating to developers what the program is meant to accomplish. In particular, there is confusion regarding the definitions: What is a local business?, What is a small business?, and What is a disadvantaged business?
- ◆ Concern that information OLBD provides is not adequate, timely, and reliable. Developers think that the web-site is not up to date. Specifically, developers reported that navigating the database (of certified LSDBEs) is cumbersome and that listings are not always current.

During the focus group sessions, LSDBEs reported that:

- ◆ Many of them feel that the program’s mission is not clearly defined and that the LSDBE community does not understand the program.
- ◆ They are not sure what benefits the LSDBE program really offers businesses like theirs. Therefore, many small businesses in the community are not interested in participating in the program.
- ◆ They are not seeing any strong advocacy being made for this program, which makes them question the level of commitment the City has to the overall success of the LSDBE program.
- ◆ A desire to see the OLBD become more of an advocate for and key player in the LSDBE program.

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- ◆ There is a need for the Mayor to take the lead in developing the program to meet the needs of the District’s small and disadvantaged businesses.

Small business advocacy organizations that participated in the two Community Business Forums indicated that:

- ◆ OLBD should measure how effective an advocate it is on behalf of the small business community within the District government.
- ◆ A small local business resource guide is needed.
- ◆ Some prime contractors erroneously believe that a “best effort” is all that is required.
- ◆ Program successes need to be communicated.
- ◆ OLBD should act not only as a regulator, but also as an advocate for the City’s LSDBE community.

The Task Force believes that the necessary level of external program advocacy has not been demonstrated by OLBD. The Office has focused on its role as LSDBE regulator more than its role as advocate. More of its budget resources have been utilized for LSDBE regulation than advocacy. All stakeholders believe a stronger advocacy role is required for a successful LSDBE program.

### **External Message Communications**

The authorizing law clearly anticipates that the proper functioning of this program requires an informed public. In order for qualified businesses and individuals to take advantage of the LSDBE program, they must know it exists and what it is designed to do.

The table that follows outlines current channels of communication that OLBD uses:

## External Message Vehicles

| Communications Vehicle                 | Audience   | Description  |
|--|--|--|
| <b>Brochure</b>                        | Business owners  | <ul style="list-style-type: none"> <li>◆ Tri-fold</li> <li>◆ Letter from the Mayor</li> <li>◆ Program Eligibility</li> <li>◆ Benefits</li> <li>◆ Frequently Asked Questions</li> </ul>   |
| <b>Fact Sheet</b>                      | Business owners<br>All Interest parties                                | <ul style="list-style-type: none"> <li>◆ 4-page letter-sized brochure</li> <li>◆ Overall description of the program</li> <li>◆ Statutory citations</li> <li>◆ Definitions of disadvantaged business enterprise, local business enterprise, small business enterprise.</li> <li>◆ Benefits</li> <li>◆ Joint ventures</li> <li>◆ Enterprise zone</li> <li>◆ Waiver provisions</li> <li>◆ Certification expiration</li> <li>◆ Penalties</li> </ul>  |
| <b>Application</b>                     | Business owners  | <ul style="list-style-type: none"> <li>◆ 8-page, letter-sized</li> </ul>   |
| <b>Newsletter</b>                      | Business owners<br>Policymakers  | <ul style="list-style-type: none"> <li>◆ News regarding LSDBE program</li> <li>◆ Contract awards</li> <li>◆ Updates on legislation or regulations</li> </ul>   |
| <b>Checklist</b>                       | Business owners  | <ul style="list-style-type: none"> <li>◆ A number of letter-sized one-pagers that outline requirements for various types of businesses to obtain LSDBE designation.</li> </ul>   |
| <b>Web-site</b>                        | All interested parties   | <ul style="list-style-type: none"> <li>◆ Information about program</li> <li>◆ Services available</li> <li>◆ Schedule of events</li> <li>◆ Business resources</li> <li>◆ List of certified contractors with links</li> </ul>  |
| <b>Marketplace</b>                     | Business owners<br>Public officials<br>News media<br>Prime contractors | <ul style="list-style-type: none"> <li>◆ Annual exhibit event held in the Spring</li> </ul>  |
| <b>Orientation seminars</b>            | Business owners  | <ul style="list-style-type: none"> <li>◆ Held monthly in partnership with the Office of Contracting and Procurement. Provides basic information on how to conduct business with the District government.</li> </ul>  |
| <b>Monthly Contracting Roundtables</b> | Business owners<br>Contracting officers                                | <ul style="list-style-type: none"> <li>◆ Face to face meetings between LSDBEs and contracting officers</li> <li>◆ Issues discussed include:               <ul style="list-style-type: none"> <li>• upcoming procurements</li> <li>• concerns agency contracting officers have engaging LSDBEs</li> <li>• LSDBEs communicating their difficulty in working with that particular agency</li> </ul> </li> </ul> <p>Also, veteran LSDBEs share their experiences with companies new in the LSDBE program on how they were successful bidders on DC procurements.</p> |

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The materials developed by the OLBD are accessible and communicate the functions of the office well. The web-site compares reasonably well with other similar sites reviewed by the Task Force. However, as noted below, the information is reported to be dated and lacks the kind of interactivity that effective sites are currently using. Additionally, the OLBD web-site provides no links to OCP or government contracting solicitations.

With respect to the meetings that OLBD sponsors, the concept is excellent, but the execution appears to fall short. Specifically, there is very little follow-up from the meetings. The Annual Marketplace draws a large crowd, but there are no data indicating what results are achieved, what contracts have been secured or what connections were made. Similarly, the Monthly Contracting Roundtables have become somewhat perfunctory, no agenda, or goals are set and nothing measurable is achieved. Ultimately, the true measure of success of anything that OLBD does is the extent to which LSDBEs are able to obtain work from the City. Data simply does not exist to measure the extent of such success.

OLBD's monthly Orientation Seminars provide a significant amount of information to prospective LSDBEs, but the sessions are not adequately organized to fully explain the program, its mission, and what resources are available to LSDBEs. Further, there is no follow-up with the prospective LSDBE applicant.

Finally, the newsletter, which is nicely presented and accessible, is issued only once a year. If a newsletter has value, it must be distributed on a more frequent and regular basis.

### **Effective Use of Communication Vehicles**

Feedback from stakeholders suggests that the external messages are not getting through to the OLBD's key audiences. Many of the messages are unclear with respect to the goals of the program. Stakeholders express confusion and concern on how to obtain program assistance. And, once they have reached program staff, they express frustration with the level of cooperation from other District government agencies that have contract responsibility.

LSDBEs reported being frustrated about whom to contact and where to get relevant information about procurement opportunities. Basically, they seem to feel that their voices are not heard by OLBD or the agencies issuing contacts. For the future, it is important that an ongoing mechanism be instituted for soliciting feedback from the LSDBE community. New communication technologies offer easy ways to accomplish this goal. Periodic e-mail surveys to representative samples of LSDBEs could be developed that would maintain a constant flow of information to program participants from the population designated for assistance.

## **3.5 Technology as a Communication Tool**

For purposes of external messages, web-site technology offers the most effective and timely way to get information to interested parties. Brochures, fact sheets and newsletters are



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valuable tools and OLBD makes good use of them. But the success of the LSDBE program rests on the ability of the District to provide relevant information to those who need it, whether they are LSDBEs, general contractors, or procurement officers. The Web is uniquely suited for this purpose. Therefore, one of the Task Force recommendations is to focus on using the Web for this purpose.

The Task Force reviewed the web-site OLBD maintains and compared it to minority business enterprise sites offered by the Commonwealth of Virginia, the State of Maryland, and the City of Baltimore. The following table compares the sites based on the major categories of information found on them.

### **Comparable Web-Sites**

| <b>Feature</b>                              | <b>DC</b> | <b>Maryland</b> | <b>Baltimore</b> | <b>Virginia</b> |
|---|-----------|-----------------|------------------|-----------------|
| Mission Statement                           | <b>X</b>  | <b>X</b>        | <b>X</b>         | <b>X</b>        |
| Goals/Objectives                            | <b>X</b>  | <b>X</b>        | <b>X</b>         |                 |
| Searchable database of certified businesses | <b>X</b>  | <b>X</b>        | <b>X</b>         | <b>X</b>        |
| Application forms                           | <b>X</b>  | <b>X</b>        | <b>X</b>         | <b>X</b>        |
| Online certification                        |           |                 |                  |                 |
| RFPs/Procurement Opportunities              |           |                 | <b>X</b>         | <b>X</b>        |
| Announcements of Awards                     |           |                 | <b>X</b>         |                 |
| Feedback opportunity                        | <b>X</b>  | <b>X</b>        | <b>X</b>         | <b>X</b>        |

Overall, the Task Force found that the OLBD web-site compares reasonably well with other program sites in the region. They all provide the basic information needed to understand and participate in these programs. Some are more “user-friendly” than others. Some have more information than others. They all fall into an acceptable range in terms of their usefulness for visitors in terms of information provided. So, judged by the standards displayed by adjoining jurisdictions’ web-sites, the information contained in the OLBD site is appropriate.

However, participants at the Community Forums and in the focus groups noted that the information on the OLBD site is not current. They complained that the listing of LSDBE’s is not up to date and that the information included about the firms is inadequate in other ways. The web-site, while presented well, does not appear to be maintained on a daily basis. Maintaining a web-site is a time intensive task requiring constant attention and clear accountability. It would appear that insufficient staff resources are devoted to the OLBD web-site.

Moreover, the site does not take advantage of new interactive technologies that would make the program more accessible and valuable to its users. While visitors to the site can search the database, there could be other opportunities to actually exchange information. For instance,

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many state-of-the-art web-sites offer the opportunity to sign up for e-mail newsletters. These newsletters can be targeted to the interest of the user. Good comparisons as a “best practice” would be the *Wall Street Journal*, *CNN*, and *The Economist* web-sites, all of which allow visitors to sign up for e-mail alerts based on industry group and areas of interest. Similarly, visitors to the OLBD site could sign up for contract notices targeted to specific industry type, such as office supplies, construction, information technology, *etc.* Contract opportunities and other news could be sent to interested parties on a real time basis. Further, contractors could be able to easily identify appropriate LSDBE sub-contractors and joint venture partners.

### **Accessibility of Procurement Information to LSDBEs**

The accessibility of procurement information is fundamental to the success of the LSDBE program. This is where the “rubber meets the road.” It is the first step in the process which end-point is the actual utilization of LSDBEs by the District government. It is also essential that the system be transparent in order to build confidence among LSDBEs and is perceived to be fundamentally fair. Many comments received by the Task Force indicated that required information is hard to obtain. At one Community Business Forum that the Task Force hosted, a defender of the program said that, “The LSDBE program works if you know the right people.” Other comments suggested that, even when information is available, it is outdated. One LSDBE representative said that, “When I’ve called them, they’ve told me, basically . . . the contract’s already gone.” In summary, another participant in a community forum said, “We need to have some more, a flow of information to the LSDBEs about how the District buys and purchases goods and services.”

Presently, there are limited ways in which the District Government makes procurement information available to the LSDBE community. The OLBD conducts monthly contracting roundtables in which LSDBEs and contracting officers have the opportunity to meet face to face to discuss upcoming procurements. However, these meetings are often unstructured and lack follow-up. Further, many LSDBEs do not have a lot of time to allocate to general meetings, especially when more efficient means of sharing information are available, such as e-mail and fax announcements. The OCP posts government solicitations on its web-site and advertises in the *Washington Times*, *El Progonero*, *Asian Times*, and the *Common Denominator*. Solicitations are also available for “walk in” pick up.

The lack of coordination between OLBD and OCP extends to the exchange of procurement information. At a minimum, there should be a link from the OLBD site directly to procurement information on the OCP site. Although OCP has a senior-level staff member who is responsible for monitoring compliance of the LSDBE laws and advocating for the utilization of LSDBEs, there appears to be no formal systems in place to institutionalize information exchange between OCP and OLBD with respect to procurement forecasts and solicitations.

Nevertheless, many of the opportunities for LSDBEs to obtain work from the District government do not even go through the procurement process. But a significant amount of work is

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issued through purchase orders by agency chief financial officers. These opportunities would be well suited for LSDBEs, but OLBD is unaware of them. Also, procurements are often for contracts that are too large for LSDBEs. The Subgroup suggests that formal mechanisms be established to track purchasing opportunities directly from agency CFOs.

Through focus group and community forum discussions, the Task Force learned that reliable forecasting information is not provided to the LSDBE community by the District government. Many LSDBE vendors expressed frustration with the information that is presently posted on OCP's website. According to these vendors, often times data are posted late, or are out of date.

The LSDBE community also expressed concerns about the "digital divide" and questioned the fairness of posting the information on the Web, as opposed to some other type of communication, i.e., e-mail alerts, fax alerts and/or newsletters.

## **4.0 Models for Consideration**

The Subgroup believes that the federal and state advocacy programs studied represent some of the best-in-class models of how government can advocate within its ranks on behalf of protected class business programs that it is intended to serve.

In comparing OLBD's statutory mandate to that of other city, state, and federal agencies with similar program responsibilities, the Task Force questioned whether or not the agency's organizational mission was too broad to allow it to effectively perform each of its stated purposes. OLBD has the statutory responsibility for LSDBE program education, certification/re-certification of LSDBEs, enforcement of procurement regulations, LSDBE program evaluation, program compliance monitoring, receiving and investigating complaints of violations of the LSDBE Act, and stimulating and fostering greater opportunities for certified LSDBEs. The agency is expected to successfully perform this broad mandate with an annual appropriation of \$1 million and 10 full-time equivalent employees.

The Task Force's Advancing Subgroup examined five local, state, or federal agencies that administer similar protected class business programs to compare their scope of responsibility to that of OLBD's. With the exception of the Commonwealth of Virginia, the Task Force found that, amongst jurisdictions studied, no other local, state or federal agency shared as broad a program mandate as does the District's Office of Local Business Development.

### **Federal Models**

There are several statutory authorities that govern small business activity within the Federal Government. These statutes govern several agencies, including those that advocate for small business. The Federal Government's role of advocating on behalf of small businesses and other protected class businesses both within and outside the Federal Government rests primarily in two agencies: 1) the SBA's Office of Advocacy and 2) the Office of Small and Disadvan-

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tagged Business Utilization (OSDBU). Also within the SBA is the Office of the Ombudsman. The Ombudsman serves as a liaison between small business concerns and federal agencies with regulatory authority. The office's jurisdiction covers issues involving federal regulatory compliance and enforcement and activities such as repetitive audits or investigations, excessive fines, penalties, threats, retaliation or other unfair enforcement action taken by a federal agency against a small business entity.

### **Small Business Administration – Office of Advocacy**

The management of the SBA Office of Advocacy is vested in a Chief Counsel for Advocacy, which is established within the Small Business Administration (SBA). The Chief Counsel for Advocacy's mission is to encourage policies that support the development and growth of America's small businesses. The occupant of the office is appointed by the President with the consent of the Senate. The office represents the nation's small businesses within the Federal Government, conducts policy studies, and compiles statistics on small business characteristics and their contributions to the Nation's economy. The fiscal year 2002 appropriation for the Office of Advocacy is \$8 million.

Three departmental units perform the functions of the Office of Advocacy: 1) the Office of Economic Research, which serves as the principal source for small business statistics and analyzer of small business in the economy; 2) the Office of Interagency Affairs, which serves as the voice for small business in the Federal Government with regard to proposed regulations; and 3) the Regional Advocates office, which serves as the Chief Counsel's direct link to local businesses, state and local government agencies, state legislatures, and small business organizations.

The statutory authority for the Office of Advocacy is in 15 U.S.C. Sec. 634 (2002). The primary functions of the Office of Advocacy are to:

- ◆ Examine the role of small businesses in the American economy and the contribution that small businesses can make in improving competition, encouraging economic and social mobility, restraining inflation, spurring production, expanding employment opportunities, increasing productivity, promoting exports, stimulating innovation and entrepreneurship, and providing an avenue through which new and untested products and services can be brought to the marketplace.
- ◆ Assess the effectiveness of existing federal subsidy and assistance programs for small businesses, the desirability of reducing the emphasis on such programs, and increasing the emphasis on general assistance programs designed to benefit small businesses.
- ◆ Measure the direct costs and other effects of government regulation on small businesses and make legislative and non-legislative proposals for eliminating excessive or unnecessary regulation of small businesses.

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- ◆ Determine the impact of the tax structure on small businesses and make legislative and other proposals for altering the tax structure to enable them to realize their potential for contributing to improvement of the nation's economic well-being.
  - ◆ Study the ability of financial markets and institutions to meet small business credit needs and to determine the impact of government demands for credit on small businesses.
  - ◆ Determine financial resource availability and recommend methods for delivery of financial assistance to minority enterprises, (including methods for securing equity capital), for generating markets for goods and services (for providing effective business education), more effective management and technical assistance and training, and for providing assistance to them in complying with federal, state, and local laws.
  - ◆ Evaluate the efforts of federal agencies, businesses, and industries to assist minority enterprises.
  - ◆ Make such other recommendations as may be appropriate to assist in the development and strengthening of minority and other small businesses enterprises.
  - ◆ Recommend specific measures for creating an environment in which all businesses will have the opportunity to effectively compete and expand to their full potential; and to ascertain the common reasons for small business successes and failures.
  - ◆ Determine the desirability of establishing a set of rational, objective criteria to be used in defining small business; and to develop such criteria, if appropriate.

### **Office of Interagency Affairs**

The Advancing Subgroup was particularly interested in the mission of the Office of Interagency Affairs, given its interagency role for monitoring compliance by federal agencies with various federal laws. AS believes that this office provides one of the best models for examining how the government can and should monitor its own laws and regulations related to promoting small business utilization.

The Office of Interagency Affairs includes advocates who pursue regulatory, legislative, and other policy initiatives that support small business growth. The office prepares comment letters and testimony on federal proposals that may affect small firms. The Office also addresses regulatory issues that affect specific industries.

The Office also monitors federal agencies' compliance with the Regulatory Flexibility Act (RFA). The RFA requires federal agencies to analyze the impact of proposed regulations on small firms, and each year the Office of Advocacy reports to Congress on agencies' compliance with the Act.

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## **Office of Small and Disadvantaged Business Utilization (OSDBU)**

Another federal government model for promoting the use of small business within the Federal Government is the Office of Small and Disadvantaged Business Utilization. The OSDBU was established under the authority of 15 U.S.C. 95-507 to promote the use of small, small disadvantaged, 8(a), HUB Zone, veteran-owned, service disabled veteran-owned, and women-owned small businesses in prime and subcontracting opportunities. Every federal agency having procurement powers is required to have an OSDBU to carry out the goals of 15 U.S.C. 95-507. The goal of the OSDBU is to institutionalize the use of small businesses and to fully integrate them into the Federal Government's competitive contracting system.

While specific program activities may vary among federal agencies, each OSDBU typically focuses on the following areas within its agency:

- ◆ Increasing contracts and subcontract awards to small businesses.
- ◆ Sharing information.
- ◆ Identifying potential small businesses for use by the agency, its bureaus and prime contractors.
- ◆ Negotiating contract goals with the SBA in an effort to increase awards to small businesses.
- ◆ Publishing an annual forecast of contract opportunities and listing upcoming procurements.
- ◆ Reviewing procurement requisitions to maximize small business participation.
- ◆ Establishing partnerships with federal agencies and customers to obtain feedback, improve services, and to make other improvements.
- ◆ Creating awareness of the benefits of working with small businesses.

OSDBU officers are empowered to enforce several public laws viewed to be critical to the promotion of small businesses in federal sector procurement.

## **State Models**

### ***Commonwealth of Virginia***

In the Commonwealth of Virginia, the Virginia Department of Minority Business Enterprise (VDMBE) serves a dual function similar to the District's OLBD. It certifies small and minority businesses and promotes access to pools of capital for them, and provides small business assistance and minority certification procurement opportunities. Women-owned businesses also receive certification from VDMBE, which also oversees the 30 small business development centers located throughout the state. VDMBE describes its most important program component as certification. According to the agency, "the most important of these programs are designed to open doors to state and local government contracting opportunities by assuring

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that a contractor is a bonafide minority-owned business.” The department promotes the utilization of certified minority-owned businesses within the state by:

- ◆ Electronically circulating the department’s Quarterly Vendor List to more than 500 public and private sector procurement officials.
- ◆ Promoting minority-owned products and services of certified businesses to state procurement officials.
- ◆ Recognizing agency strategic partners who have demonstrated a commitment to enhancing services to the minority business enterprise and disadvantaged business communities.
- ◆ Establishing a media and public relations specialist within the department to, among other things, ensure the distribution of information concerning department activities. This has resulted to-date in 27 articles published concerning minority and disadvantaged business enterprise accomplishments.

### ***Maryland***

In the State of Maryland, the Department of Transportation’s Office of Minority Business Enterprise is responsible for minority business enterprise certification. Each Maryland government agency has a minority business enterprise (MBE) officer who acts as a liaison between the small business community and the respective agency. The MBE officer provides information on contract opportunities, identifies resources, and represents the voice of the small and minority business owner(s) with the agency. Other offices in the State of Maryland with responsibility for promoting protected class businesses include the Governor’s Office of Minority Affairs (which provides minority-owned firms with technical and management assistance, and promotes and coordinates programs), and the Governor’s Office of Business Advocacy and Small Business Assistance. The latter’s goal is to connect small and minority-owned businesses to the appropriate resources, provide information, and to offer assistance – such as business permitting and licensing and small business planning. The Governor’s Office of Minority Affairs has no statutory authority for certifying businesses of any type.

### ***City of Baltimore, MD***

While the Office of Minority Business Enterprise serves as the certifying body for Maryland’s MBE program, the Mayor’s Office of Minority Business Development plays a major role in carrying out the City’s minority business utilization program goals. In 1999, the City of Baltimore’s Ordinance establishing contracting goals for minority-owned and women-owned businesses was found unconstitutional by the U.S. District Courts. In September 2000, Mayor Martin O’Malley issued an Executive Order governing the utilization of minority-owned and women-owned businesses in city contracting.

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The City's minority business program objective is to dramatically increase the number, significance, and success rate of minority-owned businesses in Baltimore, dramatically increase contracting and procurement dollars spent with minority-owned and women-owned businesses, and to facilitate greater involvement of minority-owned and women-owned businesses in identified growth sectors.

## **5.0 Recommendations**

### **Issue: The District Can Leverage LSDBE Advocacy by Training and Engaging Partners**

The Task Force believes that OLBD can more effectively leverage its resources, talents, and expertise to advocate aggressively for the LSDBE program and its certified LSDBE businesses. To accomplish this, internal advocates must include the Mayor, Councilmembers, deputy mayors, agency directors, and procurement officials at every level of government. OLBD must look for creative opportunities to engage these officials as well as its private sector partners in the identification, selection, and promotion of LSDBE businesses. However, before these stakeholders can be engaged as program missionaries, several short-term steps must take place, including adequate program training. Task Force research clearly confirms that wide-scale training is needed both within and outside of the government to help stakeholders better understand the LSDBE program's mission and goals. Once trained, OLBD must develop a comprehensive program to engage and exploit advocacy partnerships to strengthen the LSDBE program in the District. Several recommendations are provided below to begin capitalizing on the wealth of talent and advocacy support available to OLBD.

#### **Recommendations:**

- ◆ OLBD should engage in the development of a comprehensive strategic communication plan to define communication roles and responsibilities, develop key program messages, and examine new external and internal (inter-governmental) communications mechanisms that include explicit measurable goals.
- ◆ OLBD should establish an annual recognition program to honor agency leadership in LSDBE contracting and highlight LSDBE successes. It should involve representatives from the public and private sector in the process.
- ◆ OLBD should include a training component for senior agency officials on LSDBE goals and program requirements.

### **Issue: The Scope of OLBD's Organizational Mission**

Based on its research of several other local, state, and federal protected class programs, the Task Force believes that OLBD's organizational mission is too broad to meet the public expectation for advocacy expressed by internal and external stakeholders. Effective advocacy re-



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quires dedicated resources devoted to conducting extensive research on issues affecting program participants. Research findings suggest that OLBD lacks the resources to conduct the scope of advocacy that would make it a best in class model in this area. To perform an effective advocacy role, OLBD would have to acquire the staffing expertise and budget resources to at minimum:

- ◆ Pursue legislative, regulatory and policy initiatives that impact LSDBEs.
- ◆ Study the current state of LSDBEs in the marketplace and examine new methods to enhance greater utilization of LSDBEs
- ◆ Encourage government policies that support the growth of LSDBEs and aggressively oppose policies that may negatively impact LSDBEs.
- ◆ Compile and disseminate economic statistics related to LSDBEs

The Task Force believes that OLBD can meet stakeholder program advocacy expectations, but only by either significantly increasing agency resources or streamlining its existing mission. As noted previously, in its examination of other jurisdictions, AS found few agencies with as broad a program mandate as OLBD's. Given its current mandate for LSDBE certification, public and private sector compliance and enforcement, program monitoring and reporting, advocacy and technical assistance, the Task Force believes that OLBD's mission and resources could be realigned to more effectively meet stakeholder expectations.

### **Recommendations:**

The Task Force recommends:

- ◆ Identifying a senior-level LSDBE officer in each of the three Deputy Mayors' cluster of agencies and assigning them functions similar to those of the OSBDU officer in the Federal Government. The LSDBE officer should have sign-off authority over all agency cluster solicitations of \$75,000 or more prior to the issuance of the solicitation by the Office of Contracting and Procurement to ensure maximum utilization of LSDBEs.
- ◆ Transferring the LSDBE program certification and re-certification responsibilities from OLBD to OCP. (Also see the Procurement Subgroup report.)
- ◆ Expanding the agency's role to conduct LSDBE capability assessments and coordinate business and technical assistance support.
- ◆ Hosting, in conjunction with LBOC, an annual public hearing to solicit comments and program suggestions from LSDBEs, and to receive utilization reports from District agencies. We believe that such a forum would have a significantly positive impact on the business community by demonstrating increased government accountability and enforcement, while at the same time providing LSDBEs with an opportunity to influence executive branch program and policy recommendations.

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- ◆ Securing executive branch support for several of the provisions contained in Bill 14-459, introduced by Councilmember Adrian Fenty that specifically relate to the functions of an Office of Advocacy.
  - ◆ Securing executive branch support for several of the provisions contained in Bill 14-458, introduced by Councilmember Harold Brazil.

Establishing an LSDBE officer within each cluster may or may not require the creation of a new position. Each Deputy Mayor should determine whether or not an existing position could be expanded to include the functions of the LSDBE officer. However, AS recommends that the position be staffed at the DS-14 or above grade of pay to ensure senior-level accountability.

This recommendation models the federal Office of Small and Disadvantaged Business Utilization (OSDBU). Every federal agency having procurement authority is required to have an OSDBU to carry out the goals of Public Law 95-507. Like the goals of OSDBUs, the proposed LSDBE officer would be responsible for institutionalizing the use of LSDBEs and for fully integrating them into the District's competitive contracting system. Cluster LSDBE officers would focus on the following areas within its cluster of agencies.

- ◆ Negotiating contract goals with the OCP in an effort to increase awards to small businesses.
- ◆ Publishing an Annual Forecast of Contract Opportunities listing upcoming procurements on its respective Cluster web-site with agency contracts.
- ◆ Reviewing procurement requisitions to maximize small business participation.

The Task Force believes that a budget of \$600,000 and four full-time equivalent employees would be required to adequately fund an Office of Advocacy functions. The enhanced advocacy function should include:

- ◆ Consistently promoting the LSDBE program benefits to government officials, prime contractors, LSDBEs and quasi-independent agencies.
- ◆ Developing matchmaking and mentor-protégé programs for LSDBEs and prime contractors.
- ◆ Examining the role of LSDBEs in the District's economy.
- ◆ Assessing the effectiveness of existing and proposed programs for local, small and disadvantaged businesses.
- ◆ Serving as the focal point for the receipt of complaints, criticisms and suggestions concerning policies and activities of the Administration and any other District agency, which affects local, small and disadvantaged businesses.
- ◆ Developing proposals for changes in policies and activities of any agency that will better fulfill the purpose of DC Law 12-268.

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- ◆ Representing the views and interests of LSDBEs before other District agency, civic organizations, business organizations and others whose policies and programs may affect LSDBEs in the District of Columbia.
  - ◆ Assisting in the coordination and marketing of business opportunities for specific industries identified by the Deputy Mayor for Economic Development as “growth industries” for future DC resident employment, increased revenues, and tax payments.

The Task Force recommends that the Executive Branch support several of the provisions contained in Bill 14-459 that specifically relate to the functions of an Office of Advocacy.

**Recommendations:**

The Office of Advocacy should:

- ◆ Meet on a quarterly basis with all certified LSDBEs to hear concerns and assist LSDBEs with finding resolutions to their concerns. Submit a report of these findings to the Mayor and Council.
- ◆ Make recommendations for changes in policies that would improve the competitive position of LSDBEs, including recommendations for incentives, which could be provided to larger corporations to maximize their use of District LSDBEs.
- ◆ Promote and assist in the development of a LSDBE census and other surveys of LSDBEs.
- ◆ Monitor and promote the plans, programs, and operations of District agencies which may contribute to the establishment and growth of LSDBEs
- ◆ Advise and consult with the OLBD in the design of a comprehensive plan for a joint public-private sector effort to facilitate growth and development of LSDBEs.
- ◆ Submit to the Mayor, the Council, the OLBD, and the LBOC a report describing detailed activities of the Advocate and OLBD and findings, conclusions and recommendations for legislative and administrative actions considered appropriate to promote LSDBEs.

AS does not, however, recommend the creation of a new independent Office of Advocacy as proposed in Bill 14-159. Instead, AS recommends transferring some of the existing statutory functions from OLBD, thereby enabling the agency to devote more attention to LSDBE program advocacy.

AS recommends the Executive Branch support of the Bill 14-458, “LSDBE Improvement Act of 2002,” except those provisions contained in Sec 2. Clarification of definitions. The DC Office of the Corporation Counsel is currently examining the amended definitions proposed in Bill 14-458 in light of *O'Donnell v. District of Columbia*. AC also believes that our Report has sufficiently addressed Sec 4, Task Force on Compliance and Monitoring, and that the need

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to create another Task Force for that purpose would result in duplicative work. The Task Force's Compliance and Enforcement Subgroup has examined ways to improve compliance with the Act and offers several recommendations in that connection.

**Issue: Using Communications Vehicles More Effectively**

The following recommendations are made with respect to this issue.

**Recommendations:**

- ◆ Ensure that all external communications vehicles have explicit, measurable goals attached to them. The newsletter, orientation meetings, and the contracting roundtables should all have measurable goals and should provide for follow-up. The meetings should have clearly defined agendas and outcomes should be tracked. The justification for the newsletter should be explicit and its effectiveness should be matched against that justification. In the end, the true measure of success should be the extent to which more LSDBEs are getting involved in City contracts.
- ◆ Conduct an annual survey of LSDBEs to determine their satisfaction with the performance of the program and the effectiveness of its communications techniques. This survey could be conducted by e-mail, with a Web-based questionnaire, including multiple-choice questions that allow participants to rate certain activities that OLBD performs.
- ◆ Upgrade the OLBD web-site
- ◆ Post a simplified mission statement on the home page of the site. The site maintained by the Commonwealth of Virginia offers a good model for prominent placement of the mission statement.
- ◆ Ensure that information on the web-site is current and timely. While the site claims to be updated monthly, feedback to the Task Force indicated that the information on the site was outdated. The list of LSDBEs was singled out as needing updating.
- ◆ Increase interactivity of the site. Develop an email notification system that provides news and information about the LSDBE program. The Washington Metropolitan Washington Airports Authority provides a good model in its Project eLERT for this kind of tool. As an enhancement, the OLBD site might allow visitors to register by product or service type, thereby allowing targeting of information.
- ◆ The site should also announce recent awards to LSDBEs. The Airport Authority posts awards on a separate page. The Baltimore Minority Business Enterprise site has a ticker tape across the top of the screen announcing new contract awards.